



In This Issue

Page One	Chairman's Report Upcoming Rule Changes
Page Two	Rule Changes (cont.) Disciplinary Actions TAC Tidbits
Page Three	Types of Auctions Commission Meetings Dates and Resources
Page Four	Fall CE Seminar Info Special Thanks

Commission Members & Staff

Bobby Colson, Chairman
Middle Tennessee Member
Term: 08/31/2004 – 08/31/2007

Kenneth Dreaden, Vice Chairman
At-Large Member
Term: 11/10/2005 – 08/31/2008

Howard Phillips, Board Member
East Tennessee Member
Term: 09/01/2003 – 08/31/2009

Marvin Alexander, Board Member
West Tennessee Member
Term: 11/30/2004 – 08/31/2007

Mary Frances Rudy, Board Member
Consumer Member
Term: 4/25/2007 – 08/31/2007

Lynn McGill Administrative Director
lynn.mcgill@state.tn.us

Sheila Piper Administrative Assistant
sheila.d.piper@state.tn.us

Mission Statement

The Mission of Tennessee Auctioneer Commission is to protect the public and licensees by monitoring the auctioneer profession through licensure and regulation.

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Department of Commerce &
Insurance
Tennessee Auctioneer Commission
500 James Robertson Parkway
Davy Crockett Tower - Sixth Floor
Nashville, Tennessee 37243-1152

615-741-3600 Fax – 615-741-1245
www.state.tn.us/commerce/boards/auction

From the Chairman

By Bobby Colson, Chairperson

While serving on the Tennessee Auctioneer Commission, one of the most common issues we address repeatedly is **late license renewals**.

We all get busy during the course of the year with auction business, but you must remember to renew your license before the due date. When mailing your license renewals into the TAC, be sure to allow time for delivery and processing. Do not mail renewals the week they are due. This may result in late renewal fees to the licensee or in complaints to the Commission.

All license renewals are only marked paid when they are received in the TAC office and cannot be processed by the date they are postmarked. Another option to renew your license would be to go to the Tennessee Auctioneer Commission website (www.state.tn.us/commerce/boards/auction) and renew online.

No matter how you choose to renew your license, be sure to have it is done before the due date. The Tennessee Auctioneer Commission staff is here to help, but ultimately YOU are responsible for your license.

Stay Tuned: Changes Are Coming for License Renewals

On March 26, 2007, the Tennessee Auctioneer Commission held a Rulemaking Hearing to receive input on a number of proposed rule changes, as reported in the February edition of the TAC Newsline. Rule 0160-1-.01 Duties of Auctioneer was discussed at length. The Commission voted to make no change to this rule. They voted to approve all other rule changes presented at the hearing.

While the new rules have not gone into effect as of this publication, when they do, there will be some significant changes licensees must be aware of related to:

- License Fee Increases
- Changes to Continuing Education Requirements

Licensing Fee Increases (rule 0160-1-.14 Fees.)

The last licensing fee increase went into effect in May 2001. Under the new rules, licensing fees will increase by \$ 25.00 per license renewal. The initial application fee will also increase by \$ 25.00. There will be no change to the fee for retiring a license. However, it will cost more to activate a retired license. Most important, this rule change allows for the assessment of a \$ 100.00 penalty for failure to notify the TAC of any

(Continued on page 2)

IMPORTANT REMINDER: Your Firm License or Gallery License number must be on ALL auction advertising

Stay Tuned: *(continued from Page 1)*

change of information within sixty (60) days of the change.

Continuing Education Requirements (Rule 1060.3-.03)

The basic requirement for Continuing Education which went into effect in 2000, mandated “licensees” to obtain six (6) hours of continuing education for license renewal. The revised rules are more specific and will clearly state Continuing Education is required for **Gallery and Non-auctioneer Firm** licensees as well as Auctioneers and Apprentice Auctioneers.

Important Note: *The rule changes have NOT been signed into effect yet, and we do NOT have an effective date for these rule changes. This information is provided to keep licensees informed of the upcoming changes to the license renewal process. More information on the effective date will be published in the NewsLine as it becomes available.*

DISCIPLINARY REPORT - MARCH 2007

Campers Corner of Nashville

Nashville, Tennessee

Violation: Unlicensed Practice

Action: \$ 500 Civil Penalty

Roebuck Auctions

Memphis, Tennessee

Violation: Misinformed sellers of facts surrounding auction

Action: \$2000 Civil Penalty

Trotter Auction Company

Sevierville, Tennessee

Violation: Selling buyer's merchandise when they said they would store

Action: \$100 Civil Penalty

The above Disciplinary Actions were paid and closed during the March 2007 Commission Meeting

TAC TIDBITS

New Consumer Member: The Tennessee Auctioneer Commission has a new Consumer Member. Mrs. Mary Frances Rudy was sworn into office on April 25, 2007 to fill the unexpired term of the vacated Consumer Member seat.

Compliments to the Director: Tennessee auctioneer and NAA Board of Director, Lance Walker, sent the following compliment to the TAC staff recently:

“Lynn- I just wanted to compliment you on the TAC website. It is very attractive and easy to use. I also like the online license renewal. I hope that system is working well for you. It is certainly a convenience for the auctioneer.

“As I serve on the NAA board, I want you to know that I get very positive comments from auctioneers that deal with

the TAC. That makes me proud of the staff and the TAC commissioners!”

Lance Walker, BAS, CAI, CES, ePro

Walker Auctions

6363 Poplar Ave. Suite 317

Memphis, TN 38119

TAC Seminar Review: The TAC has provided three seminars for FY 2006/2007 conducted by Chris Pracht, CAI, AARE of Anderson, SC and the TN Department of Revenue. Seminars were held in Pigeon Forge, Jackson and Manchester. We have already begun planning our seminars for FY 2007/2008, with our next seminar scheduled for Monday, **October 22, 2007** to be held, once again, at the Music Road Convention Center in Pigeon Forge.

NEXT TAC COMMISSION MEETING: MONDAY, JULY 2, 2007

TYPES of AUCTIONS DEFINED

Sellers are frequently confused about the auction process and what different auction terminology really mean. They rely on the auctioneer to explain auction terminology and contract terms to them but sometimes they are afraid to ask for the explanation.

A review of complaints coming into the Auctioneer Commission offices are a good indicator of just how confusing the terminology can be for a seller. Below are definitions from the **Tennessee Auctioneer Commission Rules and Regulations, Section 0160-1-.19**:

*“(1) **Absolute auction/auction without reserve** – An auction at which property put up for sale is sold to the highest bidder, where the seller may not withdraw the property from the auction after the auctioneer calls for bids unless no bid is made in a reasonable amount of time, where the seller may not bid himself or through an agent, and where the seller will deliver marketable title.*

*“(2) **At auction/auction with reserve** – An auction at which the seller or his agent reserves the right to establish a minimum bid, to accept or reject any and all bids, and to withdraw the property at any time prior to the completion of the sale by the auctioneer.”*

When a seller signs an **absolute contract**, it is the responsibility of the auctioneer to insure the seller understands:

- there is no minimum reserve price on the property being sold,
- they cannot withdraw the property once bids are accepted,
- they may not bid on their property directly or through an agent acting on their behalf,
- and, they must deliver marketable title to the property.

This applies to real estate and personal property auctions.

MARK THE DATE:

Monday, July 2, 2007	TAC Board Meeting 9:00 am (central)
Monday, October 22, 2007	CE Seminar (East) 9:00 am (eastern)

Next Quarterly Publication: September 15, 2007

“The Tennessee Department of Commerce and Insurance is committed to principals of equal opportunity, equal access, and affirmative action.” Contact the EEO Coordinator or ADA Coordinator at 615-741-2177 (TDD).

Auctioneer Commission Meetings

The Tennessee Auctioneer Commission meetings are open to the public and all are invited to attend.

Commissioners are appointed by the Governor of the State of Tennessee for a three (3) year term. The primary purpose of the Auctioneer Commission is to protect the general public and consumers of auction services, whether they are the sellers, the bidders, or the buyers at an auction. Four of the five Commissioners are auctioneers, and they understand the challenges facing auctioneers and consumers of auction services. The fifth member is an auction consumer and is not otherwise affiliated with the auction industry.

Some of the decisions rendered by the Commissioners are routine, while others can be very complex.

Auctioneers who attend Commission meetings will all agree; they are always educational and sometimes, they are actually fun. If you can attend a Commission meeting, please do so. Witness first-hand the difficult job these men and women perform for our profession.

PLANNING TO OPEN AN AUCTION FIRM OR GALLERY?

The Tennessee Department of Revenue conducts **free** New Business Workshops (NBW) across the state of Tennessee to new business owners covering business tax, sales and use tax, and issues regarding tax enforcement from the Department of Revenue, as well as a presentation from the Department of Labor and Workforce Development on state unemployment tax. Workshops will be held in Chattanooga, Memphis, Johnson City, Knoxville and Nashville during the month of July. For more information, contact the Tennessee Department of Revenue toll-free at 800-342-1003, or you can visit their website at www.tennessee.gov/revenue.

Remember: Always have your pocket card with you at the auction and have your license number handy when you call the Commission offices. It will save you time.

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**Tennessee Auctioneer Commission
Continuing Education Seminar
Music Road Convention Center
Monday, October 22, 2007
9:00 am – 4:00 pm (eastern)**

Speaker: David Hart, CAI, AARE

David Hart is the Executive Vice President and Chief Operating Officer for Rowell Auctions, Inc. out of Moultrie, Georgia. In addition, he is an instructor in the National Auctioneers Association Accredited Auctioneer of Real Estate (AARE) designation program. Hart is also a regular instructor at Nashville Auction School where he instructs on Real Estate Auctions. He will be presenting a four (4) hour program on aspects of a successful auction business.

In addition, we will offer a two (2) hour program to be announced in our next issue.

Tentative dates for the 2008 Seminars are Monday, February 25th and Tuesday, May 20th for the same seminar programs offered in October.


Thank You!

A big thanks goes out to Chris Pracht of Pracht Auctioneers, and both Kathy Russell and Ray Todd from the TN Department of Revenue for the great seminars they provided for the Tennessee Auctioneers Commission this past year.

For those who missed these dynamic and educational seminars, we want you to know they are the first of many exciting programs to come. This is what one auctioneer had to say about his continuing education experience:

"I came here today to serve my time to the State of Tennessee. What I am receiving is a big bagful of useful information. Thank you."

Howard Weddington
Century 21 Mid-State Realty
Tullahoma, Tennessee

 **TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE AUTHORIZATION No. 335170, Revised 08/06.**
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